



CABINET OFFICE

With the compliments of

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CONFIDENTIAL

P 02134

From: J B UNWIN
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MISS MacNAUGHTON

REMUNERATION OF LAWYERS

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WITH NEW?

I have had a quick look at the letters to the Bar and the Law Society with Mr Stoate's letter to No 10 of 25 June.

2. So far as the actual proposals for fee increases are concerned, the presentation at the end of both letters seems to me to be acceptable and to accord with the general formula which I agreed at a meeting with the Lord Chancellor's Department and the Law Officers Department at the end of last week.

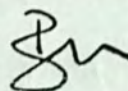
3. The following points, however, give me some concern:-

(i) both letters, as you pointed out to me last evening, give a detailed blow by blow account of the internal processes of consideration within the Lord Chancellor's Department. I am advised that this exposure is necessary in order to protect the Lord Chancellor's flank against further legal action by the Bar or the Law Society. He needs to establish clearly on the record that he has given very full consideration to their proposals. But such a detailed account could invite challenge on many specific points; not least by Coopers and Lybrand whose competence is frankly severely challenged in this report. If I were in Coopers, I should certainly want to return to the charge. The Lord President may, therefore, want to query before it is too late whether this amount of detail needs to go into the letters;

(ii) Both letters (paragraphs 18 and 19 of the letter to the Bar and paragraphs 14 and 15 of the letter to the Law Society) seem to me to go somewhat further on the proposal for a Fees Advisory Committee than the Lord Chancellor was authorised to. The joint paper by the

Lord Chancellor and the Attorney General registered the Chief Secretary's opposition to this proposal and merely said that it would be discussed further. Although the present drafts express reservations, they make it absolutely clear that the Lord Chancellor favours the idea. One way of leaving the issue more open would be (in the letter to the Bar) to omit the second sentence in paragraph 18, amend the last sentence at the end to read "... might be of benefit"; and to amend the second sentence of paragraph 19 to read "More importantly, I need to have a better picture of exactly what an Advisory Body would do before I could reach a conclusion on whether such a body should be established". I have, however, alerted the Treasury to this point and it may be that the Lord President could leave them to make the running (you may wish to liaise with the Chief Secretary's Office on this);

(iii) I wonder also about the wisdom of the last sentence of paragraph 20 in the letter to the Bar (also paragraph 20 in the letter to the Law Society) on other claims on the public purse. Although, in view of Counsel's previous advice, I think there is some inwardness in this, it seems a very curious statement to put on record, and would be better omitted. However, this may be another point which the Treasury could be left to pick up.



J B UNWIN

HOME AFFAIRS
CIVIL AID WEEK

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